

COPY 263E

209-54

April 26, 1954

Richard G. Duncan

Attorney General

Recovery of Pooled Fund Premium

Mr. James J. Barry, Commissioner
Department of Public Welfare
State House Annex

NEW HAMPSHIRE LAW LIBRARY

SEP 22 1998

CONCORD, N.H.

Dear Mr. Barry:

You have inquired by your letter of April 15, 1954 whether your department may recover from public assistance recipients payments made on behalf of such recipients into a medical expenditures pooled fund. It is my opinion that such sums are recoverable items.

It is my understanding that a certain amount, based on past experience of medical payments per recipient, is periodically paid into the medical pool fund on behalf of each recipient. Medical expenses are then paid from this fund direct to the vendors and are not limited for any recipient to the amount of "premiums" paid into the fund on his behalf. I also understand that in the event medical payments do exceed "premium" contributions recovery is limited, insofar as medical expenses are concerned to the total contributions paid into the fund.

The pool fund is established by authority of a resolution of Governor and Council, dated July 15, 1952, acting pursuant to the authority of chapter 5, section 5, Part 25 of the Laws of 1950 which allows the establishment of an unlapsable account within the public assistance fund dedicated to the payment of costs for medical services for recipients.

The sums paid into the pool would be "assistance paid under this chapter" in accordance with R.L. c. 126, s. 19 as amended by c. 90, s. 6, Laws of 1951 even though not paid directly to the recipient. In effect the payments are in the nature of health insurance premiums, the risk being carried by the State, for the benefit of the recipient which insures payment of any future medical bills. The fact that no payments were made on account of any one recipient would not change the liability of such a recipient to reimburse, if able, payments made on this behalf and for his benefit into the fund.

Very truly yours,

RGD/T

Assistant Attorney General